

HOUSE BILL 4084

By Maddox

AN ACT to amend Tennessee Code Annotated, Title 49,
Chapter 7, Part 1, relative to higher education.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF TENNESSEE:

SECTION 1. Tennessee Code Annotated, Title 49, Chapter 7, Part 1, is amended by adding the following language as a new, appropriately designated section:

§ 49-7-1__.

(a) As used in this section, unless the context otherwise requires:

(1) "Merchandising" means the offering of free merchandise or incentives to students as part of the credit card marketing effort; and

(2) "Student" means any student enrolled for one (1) or more credit hours at an institution of higher education.

(b) Subject to subsection (c) of this section, all public or private institutions of higher education shall develop policies regarding the marketing or merchandising of credit cards on institutional property to students, except as provided in newspapers, magazines, or similar publications or within any location of a financial services business regularly doing business on the institution's property.

(c) Institutions of higher education shall each develop official credit card marketing policies. The process of development of these policies shall include consideration of student comments. The official credit card marketing policies shall, at a minimum, include consideration of and decisions regarding:

(1) The registration of credit card marketers;

(2) Limitations on the times and locations of credit card marketing; and

(3) Prohibitions on merchandising unless the student has been provided credit card debt education literature, which includes, but is not limited to, brochures of written or electronic information.

(d) The policies shall include the following:

(1) A requirement for credit card marketers to inform students about good credit management practices through programs developed in concert with the institution of higher education; and

(2) A requirement to make the official credit card marketing policy available to all students upon their request.

SECTION 2. This act shall take effect July 1, 2008, the public welfare requiring it.